

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 1025

IN THE MATTER OF:

Served March 11, 1970

Determination of D. C. Real Estate)
Tax Exemption for D. C. Transit)
System, Inc., as Required by Public)
Law 84-757, for the Real Estate)
Taxes Assessed July 1, 1969)

Public Law 84-757, approved July 24, 1956, which granted a franchise to D. C. Transit System, Inc., provides in Section 9(g)(1):

. . . the Corporation shall not be required to pay real estate taxes upon any real estate owned by it in the District of Columbia and used and useful for the conduct of its public transportation operations to the extent that the Commission has determined under such rules and regulations as it may issue that the Corporation's net operating income in the previous year was insufficient, after giving effect to the tax relief provided in the preceding subsections /D. C. Motor Vehicle Fuel Tax Exemption/ to afford it a 6-1/2 per centum rate of return.

In compliance with the above, the Commission has made a determination regarding the exemption of D. C. Transit System, Inc., from D. C. real estate taxes. The pertinent calculations and detailed supporting schedules of real estate taxes appear in Exhibits A and B attached.

Findings and Notification to the Commissioner
of the District of Columbia

The Washington Metropolitan Area Transit Commission in its Order No. 1024 served March 11, 1970, certified to the Commissioner of the District of Columbia that the net operating revenue for the twelve-month period ended August 31, 1968 ("the previous year"), after giving effect to the D. C. Motor Vehicle Fuel Tax exemption certified in such Order, was \$1,146,980.62. This is "insufficient . . . to afford . . . a 6-1/2 per centum rate of return" by \$1,142,524.75.

D. C. Transit System, Inc., accordingly, qualifies for exemption from real estate taxes assessed July 1, 1969, on "real estate owned by it in the District of Columbia and used and useful for the conduct of its public transportation operations," per Exhibits A and B, attached, in the amount of \$230,583.16.

FOR THE COMMISSION:

Melvin E. Lewis

MELVIN E. LEWIS
Executive Director

Exhibit A

DETERMINATION OF EXEMPTION OF D. C. TRANSIT SYSTEM, INC.,
FROM D. C. REAL ESTATE TAXES ASSESSED JULY 1, 1969,
BASED ON FINANCIAL RESULTS OF THE CORPORATION'S
FISCAL YEAR ENDED AUGUST 31, 1968

Gross Operating Revenues, as certified in WMATC Order No. 1024. Public Law 84-757, Section 9(b)(1).	\$35,223,159.45
Gross Operating Revenues multiplied by 6-1/2 percent. Public Law 84-757, Section 9(b)(1).	\$2,289,505.37
Net Operating Revenues, after giving effect to the D. C. Motor Vehicle Fuel Tax exemption certified in WMATC Order No. 1024. Public Law 84-757, Section 9(g)(1).	\$1,146,980.62
Amount by which Net Operating Revenues are "insufficient . . . to afford . . . a 6-1/2 per centum rate of return."	\$1,142,524.75
D. C. Real Estate Tax Exemption for which D. C. Transit System, Inc., qualifies. Per Exhibit B, Sheet 2.	\$230,583.16

D. C. TRANSIT SYSTEM, INC.

Property on Books at June 30, 1969 Location	Original Cost		D. C. Real Estate Taxes Assessed July 1, 1969	
	Land	Buildings	Exempt	Non-Exempt
<u>Operating Property</u>				
<u>In D. C.:</u>				
26th and Bladensburg	\$ 823,167.90	\$2,772,803.28	\$ 67,534.90	
New Bladensburg Division	1,256,534.83	1,938,285.86	38,564.16	
Eastern Garage	74,866.84	326,640.59	16,142.32	
Trinidad Garage	40,730.28	234,557.54	10,094.22	
Western Garage	10,793.98	353,753.17	27,834.28	
Northern Garage	54,416.50	898,643.63	29,030.84	
Southeastern Garage	83,586.76	349,938.21	18,242.84	
Brookland Garage	103,659.48	397,974.92	14,434.24	
Platforms and Stop Signs		17,573.22		
Chevy Chase Terminal	26,201.79	33,431.71	3,632.38	
Rock Creek Loop	12,729.66	8,878.25	1,504.24	
11th and Monroe Terminal	21,034.10		831.68	
14th and Colorado Terminal	18,393.75	15,388.16	1,753.08	
12th and Quincy Terminal	20,599.13	7,075.96	447.64	
62nd and Dix Terminal	6,692.59		536.34	
Work in Process		2,940.23		
<u>Outside D. C.:</u>				
Wisconsin Avenue Terminal	24,797.90	27,411.09		
Mt. Rainier Terminal	31,541.21	15,499.76		
Rosslyn Loop		4,963.09		
Seat Pleasant Loop		8,104.92		
Silver Spring Transit Center		33,517.85		
Sightseeing Sales Offices		15,064.02		
Total Operating Property	<u>\$2,609,746.70</u>	<u>\$7,462,445.46</u>		
<u>Non-Operating Property</u>				
<u>In D. C.:</u>				
Grace Street Shop	\$ 11,294.39	\$ 157,455.98	\$11,750.16	
Rights of Way: Benning	175.06		10.16	
13th and D Streets, N. E.	976.32		140.68	
Eckington Place Rights of Way	4,300.85		409.94	
Cabin John Rights of Way	80,146.42		7,207.02	
14th and V Streets, N. W.	9,038.23	16,835.55	793.92	

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Property on Books at June 30, 1969 Location	Original Cost		D. C. Real Estate Taxes Assessed July 1, 1969	
	Land	Buildings	Exempt	Non-Exempt
<u>Non-Operating Property</u>				
<u>In D. C.: (continued)</u>				
Parking Area - 36th and M	\$ 579.48			\$ 1,116.00
Miscellaneous Non-Operating Equipment and Work in Process		\$ 30,492.72		
<u>Outside D. C.:</u>				
Land, Miscellaneous Parcels	25,119.58			
Miscellaneous Equipment and Roadway		31,912.18		
Total Non-Operating Property	\$ 131,630.33	\$ 236,696.43		
TOTAL OPERATING AND NON-OPERATING PROPERTY (as reconciled with books, below)	\$2,741,377.03	\$7,699,141.89		
TOTAL D. C. REAL ESTATE TAXES			\$230,583.16	\$21,427.88

Reconciliation with Books:

Balances per books at June 30, 1969:

Land:a/c 502-Operating	\$2,609,746.70	
a/c 404-01-Non-Operating	131,630.33	
Building:a/c 504-01-02-03-04-05-06-07- 08, 505-00-Operating		\$7,459,505.23
a/c 404-01-Non-Operating		236,696.43
a/c 401-02-Work in Process- Operating		2,940.23
a/c 404-02-Work in Process- Non-Operating		-0-
TOTALS, Per Books June 30, 1969	\$2,741,377.03	\$7,699,141.89